GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:525
ANSWERED ON:02.03.2007
GUIDELINES ON HOUSING LOAN
Nayak Shri Ananta

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has issued any guidelines to the commercial banks on housing loans;

(b) if so, the details thereof;

(c) whether there are instances of harassment of customers by banks in sanctioning/recovery of housing loans; and

(d) if so, the steps taken by the Government to protect the customers from harassment by the banks?

Answer

(MINISTER OF STATE IN THE MINISTRY OF FINANCE)(SHRI PA WAN KUMAR BANSAL)

(a) & (b): The Rsserve Bank of India(RBI) has issued guidelines to the banks on Housing Loan. vide RBI Master Circular on Housing Finance DBOD.No.DIR(Exp).BC.04/08.12.01/2006-07 darted My 1, 2006 and circular DBOD.DIR.BC. No.43/08.12.01/2006-07 dated November 17,2006. These circulars are available on website of RBI, i.e., www.rbi.org.in.

(c) & (d) : As per RBI`s Master Circular, the banks are free to evolve their own guidelines with the approval of their Boards on aspects such as security, margin, age of dwelling units, repayment schedule, etc. The Banks are to provide housing loans to the customers as per guidelines of RBI and in terms of their own guidelines. However, complaints of the customers, if any, are taken up with the concerned banks for redressal. Tile RBI has not indicated any case of harassment of customers by Banks.